

Proposition 34: *Some Questions and Answers*

The Commission will be adopting regulations in the coming months to further clarify and implement provisions of Proposition 34, the ballot measure approved by voters last year.

Members of the public should use the FPPC's toll free advice line, 1-866-ASK-FPPC, to receive up-to-date information on Proposition 34. We are also planning to post on our web site a more complete list of questions and answers relating to Proposition 34.

This article features questions relating to small contributor committees and filing a statement of intent to accept or reject the expenditure limits.

Small Contributor Committees

Q. *How can an existing committee that has a history of making contributions and receiving contributions from more than 100 persons become a small contributor committee?*

A. An existing committee can become a small contributor committee by:

- Transferring all contributions over \$200 into a separate committee;
- It may count the length of time it existed before January 1, 2001 to meet the six month requirement; and

- The existing committee must amend its Statement of Organization, Form 410, to indicate its status as a small contributor committee.

Q. *Can a small contributor committee receive a contribution over \$200, and transfer the excess into a separate committee?*

A. No. A small contributor committee cannot receive a contribution over \$200. If a contribution in excess of \$200 is received from one source, the entire contribution should be placed into another committee, after which up to \$200 may be transferred to the small contributor committee.

State Legislative Candidates Acceptance/Rejection of Spending Limits

Q. *How does a candidate for the state Legislature indicate that he or she accepts the voluntary expenditure limits?*

A. The form 501 (Candidate Intention) has been revised to include this information. The new form is available on the Commission's web site (www.fppc.ca.gov).

Q. *Must a candidate accept or reject the voluntary expenditure limits for both the primary and*

general elections (or special and special runoff elections) at the same time?

A. Yes.

Q. *May a candidate who has accepted the expenditure limits for a particular election amend the form 501 at any time to reject the limits, or vice versa?*

A. No. There is no provision in the law for changing this status. However, a candidate who rejected the expenditure limits prior to the primary election may amend the form 501 within 14 days following the primary election to accept the limits for the general election as long as he or she did not exceed the expenditure limits during the primary.

Q. *Are there any circumstances under which the expenditure limits are lifted?*

A. Yes. If a candidate contributes personal funds to his or her campaign in excess of the limits for that election, then the expenditure limits are lifted for opposing candidates who accepted the limits.

Q. *What if the candidate accepts the limits and then exceeds them?*

A. Section 85403 states that a candidate who accepts the voluntary expenditure limits and then exceeds them is subject to penalties for violation of the Political Reform Act.